



## EARLY WARNING NEWS RELEASE OF AUSTRALIS CAPITAL INC.

**LAS VEGAS, NV, November 29, 2019** – Australis Capital Inc. (“**Australis**”), with an address at Suite 190, 376 East Warm Springs Road, Las Vegas, Nevada, 89119, is disposing (the “**Disposition**”) of 10,000,000 common shares (the “**Common Shares**”) of Body and Mind Inc. (the “**Company**”).

The head office of the Company is located at 750 – 1095 West Pender Street, Vancouver BC, V6E 2M6.

### *Transfer of Shares to Passport Technology Canada Ltd.*

On November 29, 2019, Australis announced that it is disposing of 5,000,000 Common Shares pursuant to a license, development and services agreement (the “**Passport Agreement**”) dated October 29, 2019 between Australis and Passport Technology Canada Ltd (“**Passport**”). Australis is transferring to Passport 5,000,000 Common Shares (the “**Passport Shares**”) as part of the consideration payable for certain services and rights under the Passport Agreement. Pursuant to the Passport Agreement, Passport has agreed to adapt Passport Technology’s self-service platform to service the cannabis industry, undertake prototype development and ongoing product enhancements, and has granted to Australis exclusive software rights and exclusive use of vendor relationships at cost (the “**Passport Services**”). The Passport Agreement contemplates an exclusive 10-year relationship between the parties.

The Passport Shares are being transferred by Australis in consideration for the Passport Services at a deemed price of USD\$0.598 per Passport Share Share for total consideration of USD\$2,989,165 or, CAD\$0.78 per Passport Share for total consideration of CAD\$3,902,654 based on an exchange rate of CAD\$1.3056/USD\$1.00.

### *Transfer of Shares to Astound Group Inc.*

On November 29, 2019 Australis announced that it is disposing of 5,000,000 Common Shares pursuant to a services agreement (the “**Astound Agreement**”) dated effective November 20, 2019 between Australis and Astound Group Inc. (“**Astound**”). Australis is transferring to Astound 5,000,000 Common Shares (the “**Astound Shares**”) as consideration payable for certain services under the Astound Agreement. Pursuant to the Astound Agreement, Astound has agreed to provide brand optimization services, assist Australis with expanding brand awareness, introduce new products for Australis’ existing brands and provide other marketing and development services for a period of three years (the “**Astound Services**”).

The Astound Shares are being transferred by Australis in consideration for the Astound Services at a deemed price of USD\$0.545 per Astound Share for total consideration of USD\$2,725,838 or, CAD\$0.721 per Astound Share for total consideration of CAD\$3,608,192 based on an exchange rate of CAD\$1.3237/USD\$1.00.

Prior to the Disposition, Australis held 34,873,628 Common Shares and unsecured convertible debentures (the “**Debentures**”) of the Issuer in the principal amount of \$1,600,000 convertible into 2,909,091 Common Shares at a price of \$0.55 per Common Share. Assuming conversion of all Debentures, Australis held approximately 36.1% of the issued and outstanding Common Shares on a partially diluted basis and approximately 34.2% of the issued and outstanding Common Shares on a undiluted basis.

After the Disposition, Australis holds 24,873,628 Common Shares and the Debentures in the principal amount of \$1,600,000. Assuming conversion of all Debentures, Australis holds approximately 26.5% of the issued and outstanding Common Shares on a partially diluted basis and approximately 24.4% of the issued and outstanding Common Shares on a undiluted basis.

Pursuant to a conversion agreement dated July 1, 2019, Australis agreed to convert the Debentures into 2,909,091 Common Shares on July 1, 2020.

Australis acquired the Common Shares and Debentures for investment purposes. In pursuing such purposes, Australis takes a long-term view of its investment. It reserves the right to formulate other plans or make other proposals and take such actions with respect to its investment in the Company. Depending on market conditions and other factors, Australis may acquire additional securities of the Company as Australis may deem appropriate, whether in open market purchases, privately negotiated transactions or otherwise. Australis continues to evaluate numerous potential transactions and in connection therewith may exchange Common Shares for other assets or may sell Common Shares to increase its cash position. Australis may also reconsider and change its plans or proposals relating to the foregoing.

This press release is issued pursuant to early warning requirements of National Instrument 62-104 and National Instrument 62-103, which also requires a report to be filed with regulatory authorities in each of the jurisdictions containing additional information with respect to the foregoing matters (the “**Early Warning Report**”). A copy of the Early Warning Report will be available under the Company’s SEDAR profile at [www.sedar.com](http://www.sedar.com) and may be obtained by contacting Mr. Michael Carlotti, Chief Financial Officer of Australis, at 800.898.0648 or [ir@ausacap.com](mailto:ir@ausacap.com).